

Utah! **DIVISION of REAL ESTATE** **NEWS**

*A publication for Utah's real estate,
appraisal, and mortgage professionals.*

Jon M. Huntsman, Jr., Governor • Francine A. Giani, Executive Director • Derek B. Miller, Division Director

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From the Director's Desk



Derek B. Miller

Welcome to the inaugural edition of the Utah Division of Real Estate newsletter. In addition to a new look and design, the most

significant change is that this newsletter will serve all of the Division's licensees, rather than different newsletters for the appraisal, real estate, and mortgage industries. I believe this is an improvement in two important ways. First, it allows us to consolidate our efforts so that we can communicate with you on a more regular and consistent basis. More significantly, a single, inter-industry newsletter will allow you not only to read about what is going on in your profession, but will also keep you up to date with the other industries as well.

This consolidated newsletter is only one of the many improvements at the Division. Some improvements are currently underway, some are just being implemented, and others are still in the concept phase. All of them are designed to help serve you, our customers, in a more efficient and effective manner, which is why I would like to highlight just a handful.

First is a fix to some "bugs" in our online renewal system for mortgage and real estate licensees to reduce the error in CE reporting (and we are looking into setting up online renewals for appraisers). A large part of this fix is automated CE tracking which will allow the Division to automatically audit CE requirements for online renewals. With this fix in place, we strongly encourage the use of online renewals. It saves you time. It saves the Division time. And it allows you to print a temporary license while waiting for the permanent copy to arrive in the mail. In fact, as a preview of things to come, you will soon see a change in the license renewal notice you receive from the Division, so that instead of receiving a bulky envelope with multiple pages, you will receive a postcard sized notice with instructions for either renewing online or downloading a newly streamlined, one-page renewal form from the Division's website.

Another improvement underway at the

Division is streamlining the sanctions process so that those applicants whose licenses are approved will be notified in a more timely fashion. Of course, the point is not to sacrifice due process for timeliness; cases involving serious issues will continue to receive appropriate review and consideration. But for cases that involve "lesser offenses" which would not normally bar a person from obtaining a license, the Division has improved its process in order to inform those people of their license approval.

The last improvement I will mention is our plan to regularly visit some "off-the-beaten-path" sites across the state. Too often our customers in these rural areas of the state do not have the opportunity of attending

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many of the wonderful events that are offered along the Wasatch Front. So, in the early Spring I will be visiting a number of these sites with a handful of Division staff, to meet with these folks, talk about where the Division is headed, provide a forum for some Q&A, and allow this time to count for CE. Please stay tuned for dates and locations.

Each of these improvements is designed to advance my vision of "making things as easy as possible for the good guys and as difficult as possible for the bad guys." This informal mission statement captures the Division's dual responsibility to both protect the public and serve our licensees. Everything I've mentioned up to now deals with how we are trying to make things "easier for the good guys" but I would also like to take a moment to write about making things "hard for the bad guys." Simply put, there is no higher priority for this Division than fighting fraud. Notice that I didn't say "mortgage fraud" and there is a reason for that. To those outside of our industries, "mortgage fraud" is the term used to describe this problem. But when talking "inside the family" I use the term "fraud" because it involves more than the mortgage industry. It involves all of us, appraisers, mortgage officers, and real estate agents/brokers. It affects us all. It hurts us all, and over the next series of newsletters I will outline what each of us (the Division, the industries, individual licensees, and consumers) *can* be doing and *should* be doing to fight this type of fraud in our state.

On a personal note, let me say how delighted I am to be back in my home state of Utah. I have already had the opportunity to meet many of you (and hope to meet many more) and appreciate the warm welcome. I look forward to working *with* you and working *for* you!

Principal Lending Manager License (PLM)... The Who, What, Where, When, and Why

by Mark Fagergren, Director of Licensing/Education
and Derek Miller, Division Director

This article attempts to address many questions dealing with the 2005 Legislation that creates a new licensing category, the Principal Lending Manager.

After May 1, 2006, all mortgage officers must conduct all residential mortgage lending business through (and under the same entity name as) a Principal Lending Manager with whom the individual mortgage officer is affiliated.

The Legislature and the Division envision that direct supervision of mortgage officers by a Principal Lending Manager will assist in regulating the conduct and practices of mortgage officers throughout Utah. We are confident that the role of a PLM is consistent with the need to fight mortgage fraud in our state.

Under provisions of this legislation, all mortgage officers must work for a supervising PLM. No mortgage officer will be able to work for more than one PLM at the same time. Under no circumstances will a mortgage officer be able to work "independently" without directly reporting to his or her PLM. In short, all mortgage officers must either be a PLM, or work directly for, be licensed under, and be paid by a PLM. Similar to the relationship between real estate agents and their brokers, the PLM is responsible to either make payments directly to mortgage loan officers; or, to supervise and be personally responsible over this process. Mortgage officers may not receive compensation directly from clients, title companies, mortgage entities, etc.

The Principal/Associate Lending Manager Experience Documentation Form and Eligibility Explanation are available on our website:
www.realestate.utah.gov/LicForms/PLMdocumentationformi.pdf

There are two different methods of becoming a PLM. The PLM statute requires, under both methods, experience as a licensed mortgage officer or the "equivalent" as determined by the Residential Mortgage Regulatory Commission. The Commission recently adopted standards for what qualifies as equivalent experience and allows for those who either **originate mortgage loans**, or have **direct supervision and oversight** of the loan origination process. The following is a non-exhaustive synopsis of those activities, which would NOT qualify towards the experience requirement to become a PLM:

- Performing clerical functions
- Owning an entity that does mortgage lending (but personally not originating residential mortgage loans)
- Acting as a loan wholesaler, account executive, underwriter, processor, or closer
- Funding a loan
- Registration and/or licensure as a Non-Originating Control Person

The qualifications and requirements for each of the two methods are described below:

Option 1: (3 Year - Documentation Method)
3 years qualifying experience in the 5 years preceding the application. Qualifying experience includes:

- Those licensed/registered as a mortgage officer with the Utah Division of Real Estate, or
- Those licensed/registered as an originating control person with the Division. (Experience as a non-originating control person does not qualify.), or
- Those not licensed with the Division because they worked either out of state or for an in-state exempt entity AND they **originate loans** or have **direct supervision and oversight** of the loan origination process.

Note: Applicants will be required to submit, on the Division-prescribed form, documentation of their work experience. Documentation would include license status with the Utah Division of Real Estate, employment history (with a detailed description of job functions, full or part-time

status, etc.) from exempt or out of state entity, and license histories from states other than Utah.

If you believe that you meet the three-year experience requirement you may apply to become a PLM by doing the following:

- Complete and submit your experience documentation form to the Utah Division of Real Estate. (This form can be downloaded from www.realestate.utah.gov/LicForms/PLMdocumentationformi.pdf) After review, the Division will notify you if you meet the licensing requirements for option 1, and instructions for completing your application to become a PLM.
- Take and pass the Division-approved 40-hour curriculum for PLMs from an approved mortgage pre-license school. (See list of schools on our website: www.realestate.utah.gov/mort_prelicense_schools.html. Licensing as a PLM must occur within 1 year of completing education.)
- Take and pass both the state and national portions of the Utah PLM exam (within six months of each other) through testing contractor, Promissor.
- Following the completion of the preceding requirements, submit a completed application to the Division of Real Estate, (including fingerprints for a criminal background check, if you are not currently licensed with the Division as a mortgage officer or originating control person.)

Option 2: (5 Year - Affidavit Method)
5 years qualifying experience under requirements substantially equivalent to and in compliance with the Utah Mortgage Practices Act (61-2c-206(2)(b)).

Qualifying experience includes:

- Those licensed/registered as a mortgage officer with the Utah Division of Real Estate, or
- Those licensed/registered as an originating control person with the Division. (Experience as a non-originating control person does not qualify.), or

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PLM License

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- Those not licensed with the Division because they worked either out of state or for an in-state exempt entity AND they **originate loans** or have **direct supervision and oversight** of the loan origination process. (Those out of state must be licensed in that state based on pre-license education and an exam to qualify under Option 2.)

Note: Applicants will be required to submit, on the Division prescribed form, documentation of their work experience. An acceptable affidavit would indicate license status with the Utah Division of Real Estate, employment history (with a detailed description of job functions) from an exempt or out of state entity, and license histories from states other than Utah.

If you believe that you meet the five-year experience requirement you may apply to become a PLM by doing the following:

- Complete and submit your experience documentation form to the Utah Division of Real Estate. (This form can be downloaded from www.realestate.utah.gov/LicForms/PLMdocumentationformi.pdf) After review, the Division will notify you if you meet the licensing requirements of Option 2, and instructions for completing your application to become a PLM.
- Take and pass only the state portion of the Utah PLM exam through testing contractor, Promissor.
- No pre-licensing education is required.
- Following the completion of the preceding requirements, submit a completed application to the Division of Real Estate, (including fingerprints for a criminal background check, if you are not currently licensed with the Division as a mortgage officer or originating control person.)

As stated previously, the statute requires that individuals who worked outside of Utah must be licensed under similar licensing requirements to those who acquired their experience in Utah. Pre-license education and a qualify-

ing exam are mandatory requirements for licensing as a mortgage officer in Utah. Individuals who have sufficient qualified experience working for states other than Utah that do not have pre-license education and a qualifying exam for licensure, do not meet the requirements for PLM licensure under Option 2 (5 year – Affidavit Method). They will have to qualify under Option 1 (3 year – Documentation Method).

The pre-license education and exam help ensure that PLM candidates have the same fundamental knowledge base as existing mortgage licensees. The rationale for requiring individuals out of state not previously licensed to fulfill the same requirements as Utah licensees, helps to ensure that they start on the same footing.

After May 1, 2006, a single Principal Lending Manager is required for each Division-approved entity (regardless of the size of the entity, or location of the mortgage officers licensed under the PLM). The Division has considered adopting rules that would require each branch location to have a branch PLM, to receive direction from the PLM but directly supervise the activities of mortgage officers working at that branch location. The implementation of a “branch manager” is under consideration, but is currently not required.

The need for a “branch PLM” stems from the circumstances where an entity may have multiple branch offices throughout the state. Likewise, a lender may have corporate offices outside of Utah and the PLM may work hundreds of miles from the mortgage officers he or she will supervise. Additionally, some entities have a large number, even hundreds of mortgage officers who the PLM will be responsible for supervising. These situations present a number of challenges with accountability and responsibility for an effective Principal Lending Manager.

So, although use of more than one PLM per entity is not currently required, the Division strongly encourages the use of Associate Lending Managers (individuals who have met the licensing requirements to become a PLM but who are not currently acting in the capacity of a PLM) to assist in an entity’s quality control program. Consider how your organization could benefit from the utilization of qualified individuals (many will hold an Associate Lending Manager

license) for supervision and oversight of your personnel. Although a branch PLM is not required, using Associate Lending Managers to provide adequate supervision and assistance is strongly recommended.

The Division has received significant input from industry group representatives: Legislators, the Utah Residential Mortgage Regulatory Commission, the Division Director, Division staff, and other interested parties concerning the many challenges addressing the regulation of the mortgage industry and specifically the implementation of the new PLM licensing requirements. We recognize that, as with any change, there are challenges associated with the adoption of new requirements. Our hope is that you will appreciate the implementation of the PLM and ALM licenses as meaningful advances in the industry.

Control Person and PLM Responsibilities For Their Loan Officers

The new supervisory license, Principal Lending Manager license, will come into effect on May 1, 2006. Some do not realize that under current law Control Persons are already responsible to the Division for the actions of the loan officers that their entity employs. The existing statute (61-2c-301) states:

Prohibited Conduct

- (l) An individual or entity transacting the business of residential mortgage loans in this state may not:
- (r) in the case of a control person of an entity, fail to exercise reasonable supervision over the activities of:
 - (i) the individuals engaged in the business of residential mortgage loans on behalf of the entity; or
 - (ii) any unlicensed staff.

The point is that Control Persons currently must exercise reasonable supervision of their lending officers and staff. Many people have been unaware of this provision and have thought incorrectly that supervisory responsibility would not be imposed until the introduction of the PLM on May 1, 2006. But supervisory responsibility is already required for Control Persons.

The statute carves out provisions for limiting PLM regulatory liability if the PLM establishes and follows reasonable supervisory procedures, attempts to prevent or mitigate violations he learned of, and do not participate in or try to avoid learning of violations. The Division and the Utah Mortgage Regulatory Commission would likely take those factors into account when considering disciplinary action against a Control Person, even though they are not explicitly written into the statute as applying to Control Persons.

Control Persons and new Principal Lending Managers, be cautious. Take measures today to ensure that your peoples' actions are in full regulatory compliance.

Licensee Statistics

As of January 6, 2006

Real Estate:

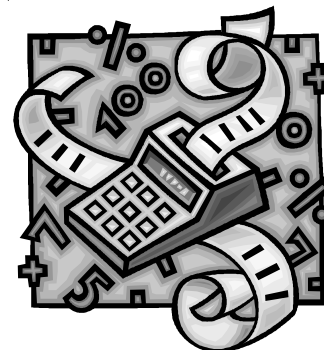
Companies	2,477
Active Principal Brokers	2,084
Inactive Principal Brokers	350
Dual Brokers	79
Branch Brokers	163
Active Associate Brokers	1,114
Inactive Associate Brokers	62
Active Sales Agents	12,255
Inactive Sales Agents	4,328
Pre-license Schools	12
Pre-license Instructors	44
CE Providers	311
CE Courses	564

Mortgage:

Companies	2,311
Principal Lending Managers	0
Associate Lending Managers	0
Active Officers	6,708
Inactive Officers	1,674
Mortgage Lender Owners (Originators)	1,386
Mortgage Lender Owners (Non-originators)	936
Pre-license Schools	15
Pre-license Instructors	50
CE Providers	46
CE Courses	188

Appraisers:

Trainees	305
Licensed Appraisers	156
Certified Residential	618
Certified General	344
Pre-license Schools	19
Pre-license Instructors	29



Appraiser Educational Requirements Increase

[Another Important Reminder]

The Appraisal Qualifications Board (AQB) has adopted increased educational requirements to become an appraiser. According to the AQB, state appraiser regulators indicate that the majority of disciplinary actions relate to a lack of education on the part of the appraiser. There have been considerable inconsistencies in the education received by appraisers holding similar state credentials, according to the AQB. **Therefore, on January 1, 2008 pre-licensing educational requirements to become an appraiser will increase.**

1. There are college-level course requirements for the Certified Residential and Certified General classifications;
2. The required number of classroom hours in appraisal education has increased significantly in all three licensure classifications; and
3. Concerning pre-license education, there are minimum classroom hours of coverage requirements for specific topic areas, which are known as modules. Appraiser candidates will be required to take more mandatory courses and will be allowed significantly fewer pre-license elective educational offerings.

For the first time, there will be college-level course requirements for the certified classifications:

Certified Residential: Associates degree or higher in any field of study; or, in lieu of the required degree, twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra; Geometry or higher mathematics; Statistics; Introduction to Computers; Word Processing/Spreadsheets; and Business or Real Estate Law, are acceptable.

Certified General: Bachelors degree or higher in any field of study; or, in lieu of the required degree, thirty (30) semester credit hours covering the

following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry, agricultural economics, business management, or real estate, are acceptable.

In addition to the college-level course requirements, the appraisal education classroom hour requirement has increased for the State Licensed, State Certified Residential and State Certified General classifications. The Trainee registration requirement remains unchanged at 75 classroom hours. **The number of appraisal education classroom hours to become a State Licensed appraiser has increased from 90 hours to 150 hours; Certified Residential has increased from 120 hours to 200 hours; and, Certified General classification has increased from 180 hours to 300 hours** (link to the AQB Appraiser Qualification Criteria from our website: www.realestate.utah.gov/education.html).

The Utah Appraiser Qualifications Board and the Utah Division of Real Estate have agreed to allow a “segmented” implementation scenario. This means that an appraiser licensing candidate would have to meet the criteria in effect at the time he or she completes a particular component or segment. If an applicant’s experience or education were completed prior to January 1, 2008, this would satisfy the current criteria, while any component not completed by January 1, 2008 (experience, education, or exam) would have to conform to the new criteria.

Meeting the January 1, 2008 deadline - (application submission vs. application approval)

Although the segmented application scenario allows an applicant to potentially complete a portion of their license application (experience and/or education), without having completed the exam; adequate processing time must be provided to the Division in order to review, evaluate, submit for consideration to either/both experience and/or education review committees, and submission to the Utah

Appraiser Licensing and Certification Board for approval or denial. Applications submitted after October 1, 2007 will likely not receive approval by year-end. Any application not totally approved by 1/1/08 will fall under the new AQB requirements!

An example of how the segmented approval process works follows: An applicant for a Certified General license completes all of the currently required 180 hours of qualifying education (and receives division approval) before 1/1/08, but does not possess the required 30 months and 600 experience points, and exam which are all necessary to become licensed as a Certified General Appraiser. However, since the applicant completed the education component prior to January 1, 2008, he or she would be deemed to have satisfied this component. Therefore, the applicant would need to complete the experience and exam requirement under the new criteria after 1/1/08.

All appraiser candidates will need to act with these new requirements in mind. Please understand that there are no exceptions to these requirements.

Real Estate Broker Duties (The Buck Stops Here...)

by Jon Brown, Director of Enforcement
and Mark Fagergren, Director of Licensing/Education

Over the past number of years we have all observed dramatic changes in the real estate industry. Technology innovation and advancements have allowed real estate licensees to function independently from their automobile or home office, thus reducing the time spent in their real estate office. Many company mergers and acquisitions have lead to fewer but significantly larger real estate offices (in terms of numbers of sales agents). Some of these trends contribute to a growing area of concern that the Division feels requires consideration and attention.

In many instances real estate agents are acting in such a self-sufficient manner that they often conduct real estate transactions with little, if any, direct input or contact with their brokerage. One potential negative ramification of this shift in

the way business is performed is the lack of adequate supervision and direction between principal and branch brokers and their sales agents.

Administrative Rule R162-6.2.8-8.2 - "Broker Supervision. Principal brokers and associate brokers who are branch brokers **shall be responsible for exercising active supervision over the conduct of all licensees affiliated with them...** Brokers to ensure that licensees receive adequate supervision must establish reasonable procedures... The existence of an independent contractor relationship or any other special compensation arrangement between the broker and affiliated licensees **shall not release the broker and licensees of any duties, obligations, or responsibilities.**"

Therefore, despite the benefits of these industry advances, a common unintended result is often inadequate supervision of real estate licensees.

In the last year the Division has sanctioned the licenses of several principal brokers for failure to adequately supervise both their licensed agents and unlicensed personnel. Often agents are making decisions and conducting business without receiving necessary direction from their broker. A far too common result is that unintentional mistakes are made and parties to the transaction become angry and/or frustrated, often leading to complaints to the Division, or even lawsuits.

A recurring violation occurs when a sales agent allows his license to expire but his principal broker is not aware of the license expiration. The broker allows the agent to continue to perform duties that would require a license. In past years, the Division would mail out a printed warning to the principal broker that one of or more of their licensees license was about to expire. We no longer do this. A prudent broker should closely monitor the license status of their agents. Frequently a broker should go to the Division website and search the licensee database for the licensees affiliated with his or her company. Another solution would be for the broker to keep a copy of all licensees licenses and regularly monitor their expiration dates from the physical license.

The act of signing a change card by a principal broker does not mean that their affiliation is automatically assigned and/or dissolved. In many instances a sales agent may not submit that signed change card to the Division for many months, if at all. Far too often a Division investigator will discover that an agent has failed to submit a change card to the Division for a

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R.E. Broker Duties

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significant period of time. Any work performed at a real estate brokerage other than where a licensee is actually affiliated will result in both the individual licensee and the broker being sanctioned.

These recommendations may sound too remedial but one would be surprised to see how often brokers have paid unlicensed individuals because of their failure to track the licensing status of their licensees.

Fortunately, many real estate agents have taken advantage of the on-line renewal technology. Some agents have expressed frustration when they learn that they are deficient continuing education hours after being selected for a continuing education audit. Confusion regarding "live" vs. "passive" education, authorized distance education courses, and the NAR Code of Ethics course vs. the Utah Division of Real Estate Core Course are all matters that merit office discussion and supervision. A frequent review of continuing education requirements and policies is critically important function that a broker can provide his or her agents.

Sufficient supervision and direction of licensees will lead to smoother transactions and reduce the frustration associated with unintentional mistakes.

Did you know?

...that you can now fax change cards to the Division that do not require a fee (such as the \$15 fee for activation). This includes faxing change cards for a new employer, updated address, or change to inactive status. Please fax your change cards to (801) 530-6279.

Disciplinary Sanctions



Please note that there are 30 days after the order date for a licensee or an applicant to file a request for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

Real Estate

ACKERMAN, BRYAN B., Sales Agent, Provo. Agreed to pay a \$500 fine and complete the Division's core course for affirming at the time of his on-line renewal that he had completed 12 hours of qualifying continuing education, including the core course. A post-renewal audit by the Division of Mr. Ackerman's continuing education showed that although he had taken 20 hours of continuing education in the past two years, he had not taken the Division's core course. Mr. Ackerman maintained that he thought that the National Association of Realtors Ethics course was the Division's core course. #RE23337.

ARMSTRONG, BRUCE L., Sales Agent, Armstrong Property Management, Inc., Murray. Agreed to pay a \$500 fine for acting as a property manager during the period after his sales agent license expired but before he reinstated the expired license. #RE24517.

ATENCIO, SUSAN E., Sales Agent, Park City. Agreed to pay a \$100 fine for affirming at the time of her on-line renewal that she had completed 12 hours of qualifying continuing education, no more than 6 of which hours could be passive education as opposed to live education. A post-renewal audit by the Division of Ms. Atencio's continuing education showed that although she had taken more than 12 hours of continuing education in the two years preceding her renewal, only 5 hours of the continuing education had been live education. Ms. Atencio promptly took another hour of live continuing education as part of the Division's audit of her education. #RE23342.

BENSON, SHAR LYNN, Principal Broker, Shar's Realty, Roosevelt. Agreed to pay a \$1,000 fine and have her license suspended from December 1 to December 31, 2005, and placed on probation for two years thereafter, because of making a substantial misrepresentation in two real estate transactions. One transaction included a "seller carry back" that was not actually paid to the seller. The other transaction involved two gift letters that actually involved loans that were repaid after closing. In mitigation, Ms. Benson maintained that others were involved in the transactions and that the transactions occurred seven to eight years ago. #RE20-01-21, RE99-07-14.

BRADLEY, PAUL, Principal Broker, Sun Bird Realty, Washington, UT. Agreed to pay a \$1,000 fine and complete the Division's Trust Account Seminar for violating Utah Code Ann. §61-2-11(8) and (16) by failing to designate in a contract whether or not a \$5,000 deposit was refundable, and for advising the buyers he represented that he could not release their earnest money to them on a failed transaction despite the authorization in paragraph 16 of the REPC to release the earnest money to the buyer if the seller defaulted in the performance of the contract. Mr. Bradley maintains that it is a mitigating factor that the buyers' actions in canceling their purchase when they had not received Notice of Substantial Completion by the deadline specified in the contract were arbitrary. #RE21223.

BRADY, BRIAN, Principal Broker, Cobalt Group Real Estate, Draper. Agreed to surrender his Utah real estate license effective November 16, 2005. In a Stipulation signed with the Division of Real Estate, Mr. Brady admitted that evi-

dence existed that could result in the denial of his renewal if a hearing was held on his application for renewal.

BROWN, LOUIS A., Sales Agent, Farmington. Agreed to pay a \$500 fine for renewing his license on-line without having taken the Division's Core Course. Mr. Brown maintained in mitigation that he had taken 31 hours of qualified continuing education in the two years preceding his renewal, and that he gave his wife his course completion certificates and asked her to do his on-line renewal for him and therefore did not personally attest that he had completed the Core Course. #RE25986.

BURNINGHAM, DAVID R., Sales Agent, Allpro Realty Group, Inc., formerly with Reeve Realty & Investment, Inc., Sandy. Agreed to pay a \$1,500 fine and complete a course in the Real Estate Purchase Contract. Mr. Burningham receipted earnest money on behalf of his broker and gave it to the seller instead of to his principal broker for deposit into the brokerage trust account, acted as a limited agent without informed consent, and breached a fiduciary duty to his principals. Mr. Burningham represented buyers who were interested in purchasing a property and also represented an investor who agreed to purchase the property and lease it to the buyers, giving them an option to later purchase the home. Mr. Burningham prepared a Real Estate Purchase Contract and a "Residential Tenancy Agreement" for use in the transaction. The transaction failed, resulting in various disagreements between the buyers, the investor, and Mr. Burningham concerning who was in default and who should pay how much money to whom. #RE 21823.

BURNZ, KAREN ZIMMER, Associate Broker, Park City. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. Ms. Burnz maintained in mitigation that she took a Deborah Long Ethics course in the year 2001 and a Deborah Long Investment Fundamentals course in the two years preceding her renewal, and that she mixed up the timing of the two courses that she took from Deborah Long. #RE23374.

BYINGTON, DAMAEON, Sales Agent, St. George. Application for sales agent license approved on October 26, 2005 on probationary status because of factors including past criminal history. During the probationary period, Mr. Byington must notify each broker with whom he is affiliated of his probationary status and the underlying reasons and must provide proof to the Division that he has complied with the broker notification requirement.

CARLSON, JIM, Principal Broker, Sandy. Agreed to pay a \$500 fine for inadvertently depositing a rent check to the brokerage general account instead of to the brokerage property management trust account, causing the proceeds check written to the client from the property management

trust account to fail to clear the bank. Mr. Carlson voluntarily closed Carlson Realtors and affiliated with another brokerage as an associate broker. #RE22614.

COLEMAN, COREY, Sales Agent, Washington, UT. Application for sales agent license approved on May 25, 2005 on probationary status until his first renewal because of factors including past criminal history. During probation, broker acknowledgement of Mr. Coleman's past convictions and the probationary status of his license will be required for affiliation with any broker.

CRAGUN, JAMES M., Principal Broker, JMC Realty Services, Ogden. Agreed to pay a \$2,000 fine for two separate violations of Utah Code Ann. § 61-2-11(7), which prohibits paying or offering to pay valuable consideration to unlicensed persons, and for two separate violations of Utah Code Ann. § 61-2-1, which provides that it is unlawful for any person to act as a sales agent without a license. Mr. Cragun permitted Randy R. Scadden to act as a sales agent for JMC Realty Services, and paid Mr. Scadden commissions on two closed transactions. Although Mr. Scadden had passed the sales agent examination, he had not applied for, or obtained, a sales agent license from the Division. #RE23208.

CRITCHLEY, MONET, Sales Agent, Draper. Application for sales agent license approved on October 26, 2005 on probationary status for two years because of factors including past criminal history. During the probationary period, Ms. Peavler must notify each broker with whom she is affiliated of her probationary status and the underlying reasons and must provide proof to the Division that she has complied with the broker notification requirement.

CROCKETT, KEVIN D., Sales Agent, Park City. Agreed to pay a \$200 fine and complete an additional 2-hour continuing education course. Mr. Crockett renewed his license on-line and attested that he had completed 12 hours of qualifying education. When the Division later audited his continuing education, it was determined that he had taken 10 hours of qualifying continuing education, plus an additional 2.5 hour course that was not approved by the Division for continuing education credit. #RE24851.

DAVID, JUSTIN, Sales Agent, Sandy. Application for sales agent license approved on September 23, 2005 on probationary status because of factors including past DUI cases.

DENT, TRISHA, Sales Agent, South Jordan. Application for sales agent license approved on May 25, 2005 on probationary status until her first renewal because of factors including past criminal history. During probation, broker acknowledgement of Ms. Dent's past conviction and the probationary status of her license will be required for affiliation with any broker.

DOWNWARD, ROGER L., Sales Agent, Leeds. Agreed to pay a \$100 fine and complete additional education for renewing his license on-line and affirming that he had completed the required

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12 hours of continuing education when he had only completed 11 hours of approved continuing education plus a 2-1/2 hour Washington County Board of Realtors course that was not approved by the Division of Real Estate for continuing education purposes. #RE26451.

DUNN, HAYVEN W., Sales Agent, Allpro Realty Group, Inc., Salt Lake City. Agreed to pay a \$300 fine and complete the Division of Real Estate Trust Account Seminar for violating Administrative Rule R162-4.2.5. An addendum to a Real Estate Purchase Contract increased the amount of the buyer's earnest money deposit. Mr. Dunn, who was the buyer's agent in the transaction, did not inform the seller's agent that the buyer had failed to deposit the additional earnest money. #RE24474.

DYCHE, PAUL, Sales Agent, Salt Lake City. Application for sales agent license approved on September 29, 2005 on probationary status because of factors including past criminal history. During the probationary period, Mr. Dyche must notify each broker with whom he is affiliated of his probationary status and the underlying reasons and must provide proof to the Division that he has complied with the broker notification requirement.

EDWARDS, ALICE, Sales Agent, Malad, ID. Agreed to pay a \$1,000 fine for renewing her license on-line without having taken courses that were approved for continuing education credit in Utah. Ms. Edwards maintained in mitigation that she had taken 20 hours of continuing education from the Idaho Association of Realtors. In connection with the Division's audit of her continuing education, Ms. Edwards completed the Division of Real Estate Core Course and was granted credit retroactively for her Idaho continuing education. #RE23379.

ELLIS, SONJA, Sales Agent, Salt Lake City. Application for sales agent license approved on May 25, 2005 on probationary status until her first renewal because of factors including past criminal history. During probation, broker acknowledgement of Ms. Ellis's past conviction and the probationary status of her license will be required for affiliation with any broker.

EVANS, CHRISTOPHER, Sales Agent, Orem. Application for sales agent license approved on May 25, 2005 on probationary status until his first renewal because of factors including negligent preparation of appraisals while he was an appraiser certified by the Division, which appraisals were the subject of civil litigation. During probation, broker acknowledgement that Mr. Evans negligently prepared appraisals that were the subject of litigation and of the probationary status of his license will be required for affiliation with any broker.

EWARD, HAROLD, Sales Agent, St. George. Agreed to pay a \$500 fine for renewing his license on-line without having taken the Division's Core Course. When the Division audited his continuing education, it was determined that he had completed 12 hours

of qualifying continuing education, but that the Core Course was not included in those hours. As part of the Division's audit process, Mr. Eward completed the Core Course. #RE24842.

FIFE, KENNETH R., Timeshare Salesperson, Marriott's Mountainside, Park City. Agreed to pay a \$250 fine for continuing to act as a timeshare salesperson after his registration expired for failure to properly complete his renewal form. #RE 23884.

FINK, MICHAEL, Sales Agent, Coldwell Banker Residential Brokerage, West Jordan. Agreed to pay a \$500 fine and complete an ethics course. While acting as a listing agent, Mr. Fink removed a water cooler from his client's property without permission to do so. When the seller contacted him concerning the water cooler, Mr. Fink told the seller he had removed the water cooler for safekeeping and returned it to the seller. Mr. Fink stated that after a buyer inquired about whether the water cooler had been abandoned, he decided that it would be in his client's best interest to place the water cooler in his car to prevent it from being stolen from the vacant property. #RE21965.

FOX, BRANDEE, Sales Agent, formerly with RE/MAX Canyons, Salt Lake City. Agreed to pay a \$1,000 fine for breaching a fiduciary duty to a principal in a transaction. Ms. Fox gave a key to a property to the buyers but did not prepare a written agreement between her sellers and the buyers defining what use the buyers were entitled to make of the property once they were given the key, what alterations they were permitted to make to the property before settlement, or what would happen concerning those alterations if the transaction failed to close. After the sellers discovered the buyers living in the home, the sale failed, and the sellers filed a complaint with the Division. #RE 19419.

FRANZMAN, RONALD S., Sales Agent, formerly with Coldwell Banker Premier Realty, St. George. Agreed to pay a \$500 fine and complete a course on the Real Estate Purchase Contract for breaching a fiduciary duty to his principal and for conduct that failed to conform to the standards of the real estate sales industry. The REPC between the parties provided that possession was to be given to the buyers upon recording. Mr. Franzman gave the buyers the key to the property after the buyers signed settlement documents although the sellers had not signed and recordation had not occurred. The buyers cut a tree in front of the property and the sellers became angry and refused to sign closing documents unless the buyers vacated the property first. The sellers and buyers thereafter had a number of disagreements and the transaction ultimately failed. #RE19835.

HARRIS, MICHAEL, Sales Agent, Salt Lake City. Application for sales agent license approved on September 23,

2005, but then suspended until his probation in an Alcohol-Related Reckless Driving case has been completed. During his first licensing period, he must submit proof to the Division that he has notified any broker with whom he proposes to license of the action involving his sales agent license.

HEATON, KIRK L., Sales Agent, St. George. Agreed to pay a \$500 fine for renewing online without having taken the Division's Core Course although he had taken 16 hours of other continuing education. During the Division's audit of his continuing education, Mr. Heaton realized that he was supposed to have taken the Core Course, and voluntarily did so. #RE24310.

HEBERT, MONICA, Applicant for sales agent license, Layton. Application for a sales agent license denied on August 22, 2005 because of factors including an April 28, 2005 guilty plea to be held in abeyance to a charge of Third Degree Felony Obtaining a Prescription Under False Pretenses.

HEYMAN, TYLER, Sales Agent, Salt Lake City. Application for sales agent license approved on November 8, 2005 on probationary status because of factors including a 1994 felony conviction and recent domestic violence cases, but his license was then suspended until such time as he provides proof to the Division that he is off all court probation in connection with the recent cases. During the time that his license is on probation, Mr. Heyman will be required to notify each broker with whom he is affiliated of his probationary status and the underlying reasons, and he must provide proof to the Division that he has complied with the broker notification requirement.

HODGSON, ALICIA DOMINGUEZ, Sales Agent, Taylorsville. Agreed to surrender her license effective September 21, 2005 and that she would not reapply for a new license for a least two years because of violating Utah Code Ann. § 61-2-11(6), which prohibits commingling client funds with the licensee's own funds, or diverting the funds from the purpose for which they were received. In late 2004 and early 2005, Ms. Hodgson received a \$2,000 check from a seller that was payable to Ms. Hodgson and the buyer in a transaction. Ms. Hodgson signed the buyer's name on the reverse side of the check and deposited the check into her own personal account. #RE24160.

HUGIE, HEATHER LEE, Sales Agent, Bear River City. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. When the Division audited her continuing education, it was determined that she had taken 16 hours of qualified continuing education, but that the Core Course was not

included in those hours. As part of the Division's audit process, Ms. Hugie completed the Core Course. #RE25444.

IRWIN, DAVID, Real Estate Instructor, Park City. Agreed to pay a \$250 fine and that any instructor certification he may apply for in the future would be issued on probationary status for two years. Mr. Irwin twice taught a course titled, "CSP Course - Certified New Home Sales Professional" after the course certification had expired. As a consequence of the expiration of the course certification, the Division refused continuing education credit to Mr. Irwin's students who had taken the course from him after the expiration of the course certification.

JAMES, KRISTEN L., Sales Agent, Ivins. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. Ms. James maintained in mitigation that she had taken 100 hours of qualified continuing education in the past two years and that she thought that "core course" meant serious real estate courses, and that since she had taken many serious real estate continuing education courses, she had satisfied her continuing education requirement. #RE25976.

JOHNSON, DOYLE M., Sales Agent, Realty Executives of Utah, Midvale. Agreed to pay a \$500 fine because of violating a rule that prohibits unprofessional conduct. Mr. Johnson gave the buyer of a home access to the home so that they could move in after the parties had signed closing documents, but before the buyer's loan had closed and funded. The sellers and their agent were concerned that he had allowed the buyer to move in without permission and without a written agreement to protect the sellers. #RE 19157.

JOHNSON, JASON, Sales Agent Applicant, Cedar Hills. Application for sales agent license denied on November 8, 2005 because of past convictions for alcohol or drug-related offenses and an Interfering with Legal Arrest conviction, and for failing to comply with the terms of his probation, and the fact that he was still on criminal probation at the time of his application for a license.

KILBY, FRANK R., Sales Agent Applicant, Salt Lake City. Application for sales agent license approved on March 15, 2005 on probationary status until first renewal because of factors including a past criminal conviction. During probation, broker acknowledgement of probation is required for affiliation with any broker.

KOTTER, TROY B., Sales Agent, Roy. Agreed to pay a \$500 fine and complete the Division Core Course. Mr. Kotter renewed his license on-line and attested that he had completed 12 hours of qualifying education, including the Division's Core Course. When the Division later audited his continuing education, it was determined that he had taken 27 hours of qualifying continuing education, but the Division's Core Course was not included in those hours. #RE24363.

KYNASTON, LINDA RAE, Sales Agent, formerly with Coldwell Banker Premier Realty, St. George. Agreed to pay a \$500 fine for

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violating Administrative Rule R162-6.2.13, which provides that licensees have an affirmative duty to disclose the existence of a due-on-sale clause and the potential consequences of selling or purchasing a property without obtaining authorization from the holder of the underlying mortgage. Ms. Kynaston, acting as a buyer's agent, structured a transaction that included seller financing but did not ask the seller's agent to provide the buyers with a copy of the underlying mortgage. #RE18629.

LARSON, VANN, Principal Broker, Armstrong Property Management, Inc., Murray. Agreed to pay a \$500.00 fine for failing to exercise reasonable supervision over the activities of his licensees. One of the sales agents licensed with the property management company that Mr. Larson was required to supervise continued acting as a property manager after the agent's license expired. Mr. Larson maintains in mitigation that he mistakenly relied on the fact that the Division formerly sent letters to principal brokers informing them when an agent affiliated with the brokerage failed to renew. #RE25314.

LE, MICHAEL Q., Principal Broker, Metrolist Commercial Real Estate, Inc., Taylorsville. Agreed to pay a \$500 fine and have his license placed on probationary status until its next renewal for failing to disclose a misdemeanor Permit Required conviction and a plea in abeyance to a misdemeanor Assault on his application for renewal. Mr. Le maintains in mitigation that he believed his answers to the renewal questions were honest because the through the criminal matters were in the nature of simple tickets and not misdemeanors. #RE25181.

LEE, ALDA J., Sales Agent, Centerville. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. When the Division audited her continuing education, it was determined that she had taken 23 hours of qualified continuing education, but that the Core Course was not included in those hours. Ms. Lee maintained in mitigation that since the Division's Core Course was titled, "2003-2005 Core Course," she thought she had until the end of 2005 to complete the course. As part of the division's audit process, Ms. Lee completed the Core Course. #RE23376.

LENNON, MATTHEW, Inactive Sales Agent, Salt Lake City. Agreed to pay a \$1,000 fine and complete an agency course for acting for more than one party in a transaction without informed consent and for being unworthy or incompetent in a transaction. Mr. Lennon helped a friend rent a condominium and signed a lease with the tenant that showed "Lennon & Associates" as the landlord. Mr. Lennon made an agreement with the tenant that if she would purchase a couch for him on her R.C. Willey account, he would pay a month's rent and utility charges for her. After a disagreement with the friend who owned the property, the friend brought suit against Mr. Lennon for rent and other monies, and obtained a judgment against him. #RE21493.

LEWIS, MATTHEW, Sales Agent, Layton. Application for sales agent license approved on probationary status until his first renewal because of factors including past criminal history. During probation, broker acknowledgement of Mr. Lewis's past criminal convictions and the probationary status of his license will be required for affiliation with any broker.

LINDSAY, LISA, Sales Agent, Majestic Real Estate and Investment Group, Holladay. Agreed to pay a \$500 fine for violating Utah Code Ann. Section 61-2-11(6) by failing to deliver an earnest money check to her broker. Three days after the seller had accepted her buyer's offer, Ms. Lindsay faxed a letter to the seller's agent stating that the buyer was withdrawing the offer, and then she returned the buyer's earnest money check to the buyer. #RE25693.

LINDSAY, MARK, Sales Agent, Holladay. Agreed to surrender his license effective April 20, 2005, and that he will not apply for a new license or work as an unlicensed real estate assistant for at least two years. Mr. Lindsay admitted that he attempted to use a straw buyer to purchase a home for a buyer who could not qualify for financing, and that at the settlement of the transaction, money was to be paid to a company that Mr. Lindsay owned for work to be performed after closing without written disclosure to all parties that he would receive a real estate commission and other monies in addition. Mr. Lindsay maintains that by including the amounts to be paid to his company on the settlement statement, that would constitute disclosure. #RE02-11-05.

LLOYD, ERIC J., Sales Agent, Equity Real Estate, Salt Lake City. Agreed to pay a \$1,000 fine and complete an agency course for acting for more than one party in a transaction without informed consent and for breaching a fiduciary duty to his principal. Mr. Lloyd acted as a limited agent in a transaction and did not obtain written consent to limited agency from both buyer and seller. When the transaction did not progress as scheduled, Mr. Lloyd failed to write up an addendum to extend the Seller Disclosure Deadline, Evaluations and Inspection Deadline, and Loan Denial deadline and request that the buyer and seller sign it. As a result, the buyer forfeited his earnest money deposit. #RE02-12-18.

LOW, YVONNE R., Sales Agent, Stillwater, MN. Agreed to pay a \$300 fine and take additional continuing education for only producing course completion certificates for 9 hours of continuing education when her on-line license renewal was audited by the Division. In mitigation, Ms. Low maintains that prior to completing her on-line renewal, she took an on-line education course that she thought was a 3-hour course, but when she contacted the course provider to obtain a course completion certificate to submit to the Division as part of its audit, she learned that she had only completed one of five lessons required for the 3-hour on-line course. #RE23365.

MARDESICH, JOSEPH, Sales Agent, Pleasant Grove. License surrendered effective August 17, 2005 in lieu of continuing to respond to the Division's investigation of his on-line license renewal. As part of his on-line renewal, Mr. Mardesich affirmed that he had completed the 12 hours of continuing education necessary to renew. When the Division later audited his continuing education, it was determined that he had not completed any continuing education in the two years preceding his renewal. #RE24317.

MCCLOSKEY, KEVIN, Sales Agent, Ogden. Agreed to pay a \$500 fine for renewing his license on-line without having taken the Division's Core Course. During an audit by the Division of his continuing education, Mr. McCloskey submitted proof that he had taken 12 hours of qualifying continuing education, but the Division's Core Course was not included in those hours. Mr. McCloskey voluntarily completed the Division Core Course during the Division's audit process. #RE23370.

MILLS, NANCY, Sales Agent, Wellington. Agreed to pay a \$300 fine and complete an additional 3 hours of qualifying continuing education. Ms. Mills renewed her license on-line and attested that she had completed 12 hours of qualifying education. When the Division later audited her continuing education, it was determined that she had taken 12 hours of continuing education, but one of the courses submitted was a duplication. She submitted both her May, 2003 completion of a course and her November, 2004 repeat of the same course. #RE24356.

NOVAK, KIM A., Associate Broker, Pleasant View. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. When the Division audited his continuing education, it was determined that she had taken 32 hours of qualifying continuing education, but that the Core Course was not included in those hours. As part of the Division's audit process, Ms. Novak completed the Core Course. #RE23759.

OUCHAKOVA, ANNA, Inactive Sales Agent, Draper. Agreed to surrender her license effective November 16, 2005 because of a "short sale" transaction in which she created a Real Estate Purchase Contract between the owner of a home and a straw buyer in order to show the REPC to the holder of a second mortgage and convince the second mortgage holder to accept less than the full amount due on the mortgage. #RE25244.

PEAVLER, KAREN J., Sales Agent, Roy. Application for sales agent license approved on September 29, 2005 on probationary status for two years because of factors including past criminal history. During the probationary period, Ms. Peavler must notify each broker with whom she is affiliated of her probationary status and the underlying reasons and must provide proof to the Division that she has complied with the broker notification requirement.

PEREZ, RONALD, Sales Agent, formerly with C-21 at the Rockies, Midvale. Agreed to pay a \$2,000 fine and complete a REPC course for failing to use State-approved forms, failing to furnish copies of documents, failing to disclose in writing that he was a principal in a transaction, and failing to disclose the existence of a due-on-sale clause in an underlying encumbrance. Mr. Perez had prospective buyers sign documents entitled, "Application for Owner Finance" and "Deposit to Hold Property" and received \$2,000 from them. When it was later determined that the buyers did not have a sufficient down payment, Mr. Perez returned the buyers' \$1,500 cashier's check and promised to return the remaining \$500. A dispute later developed over the remaining \$500, and Respondent did not refund the \$500 until the buyers obtained a small claims court judgment against him for the \$500. #RE21390.

PETERSEN, KERBY, Sales Agent, Salt Lake City. Application for sales agent license approved on May 25, 2005 on probationary status until his first renewal because of factors including past criminal history. During probation, broker acknowledgement of Mr. Kerby's past conviction and the probationary status of his license will be required for affiliation with any broker.

PORTER, ROBERT, Branch Broker, ERA Brokers Consolidated, Hurricane. Agreed to pay a \$1,500 fine for making a misrepresentation, failing to disclose in writing in the purchase agreement his status as a principal in a transaction, and failing to conform with the standards of the real estate sales industry. Mr. Porter, who was the leader of "The Porter Team," and three other individuals licensed with the branch decided to purchase a parcel in LaVerkin, Utah. Fearing that the seller would want a higher price if the seller knew The Porter Team was interested in purchasing the property, Mr. Porter showed The Porter Team as the buyer's agent and named the branch office manager "or assigns" as the buyer. #RE23841.

QUINLAN, ORION DALE, Re/Max Elite, Layton. Agreed to surrender his current broker's license effective July 20, 2005 and be issued a sales agent license in its place for failing to exercise reasonable supervision and for breaching a fiduciary duty owed to a principal in a transaction. One of the agents licensed with the branch represented a seller in a transaction and another agent licensed with the branch represented a party who offered to purchase the home. A second offer was received from another brokerage. Various disputes developed among the licensees concerning whether the seller had valid contracts with both buyers. The seller and his agent filed a complaint with the Division alleging that in his attempts to resolve threatened litigation, Mr. Quinlan favored the buyer who was represented by the agent who was part owner of the brokerage, damaging the seller financially. #RE23230.

RAINES, CHERYL A., Sales Agent, Farr West. Agreed to pay a \$500 fine for affirming at the time of her on-line renewal that

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she had completed 12 hours of qualifying continuing education, including the core course. A post-renewal audit of by the Division of Ms. Raines' continuing education showed that although she had completed 35 hours of continuing education since her last renewal, she had not taken the Division's core course. Ms. Raines promptly completed the core course as part of the Division's audit of her education. #RE23756.

RASHWAN, MONTY, Sales Agent Applicant, Salt Lake City. Application for sales agent license denied on November 8, 2005 because of conviction of Bribery of a Public Official, False Statement on a Tax Return and Money Laundering, and the fact that he is on probation for those convictions until the year 2009.

RIDDLE, LESLIE, Sales Agent, Salt Lake City. Agreed to pay a \$500 fine for renewing her license on-line without having taken the Division's Core Course. During an audit by the Division of her continuing education, Ms. Riddle submitted proof of completion of 9 hours of continuing education. Ms. Riddle maintains that she had taken a number of additional courses in the two years preceding her renewal, but that since she was a new agent, she did not realize that she needed to pick up course completion certificates to be able to prove she had taken the courses. Ms. Riddle voluntarily completed the Division Core Course during the Division's audit process. #RE23368.

ROBERTS, FLETCHER D., Sales Agent, Farmington. Agreed to surrender his license effective November 16, 2005 for affirming in an on-line license renewal that he had completed the required 12 hours of continuing education when he had not completed any continuing education. #RE24326.

ROMAN, RENEE, Sales Agent, St. George. Application for sales agent license approved on May 25, 2005, but license suspended until she provides evidence that she has paid the fine in a criminal matter in full and that she has been released from probation in that matter. After the license suspension, her license shall be on probationary status until renewal. During probation, broker acknowledgement of Ms. Roman's past conviction and the probationary status of her license will be required for affiliation with any broker.

RORING, KELLIE, Sales Agent, Orem. Application for sales agent license approved on probationary status until her first renewal because of factors including the surrender of her Registered Nurse license. During probation, broker acknowledgement of her nursing license surrender and the probationary status of her license shall be required for affiliation with any broker.

RUPLINGER, JARED M., Sales Agent, Salt Lake City. License surrendered effective March 16, 2005 because of a

transaction in which he and his business partner attempted to negotiate a "short sale" of a home owned by Marcy Dennerline. Mr. Ruplinger admitted that he made a misrepresentation, acted for more than one party in the transaction without informed consent, breached a fiduciary duty owed to a principal, and violated the section of the chapter that requires use of approved forms. Mr. Ruplinger agreed that he will not apply for a new Utah real estate license for at least two years after the date he surrendered his license. #RE 21483.

SEVY, CAMERON, Sales Agent, Provo. Agreed to pay a \$500 fine and complete the Division of Real Estate Core Course for renewing his license on-line without having taken the Core Course and for having taken the same 3-hour course twice and claiming credit for both classes. Mr. Sevy maintained in mitigation that he took the 3-hour REPC course in November, 2003 and again in March, 2005 in order to be up to date on the Real Estate Purchase Contract. #RE24352.

STAM, JEFF, Applicant for sales agent license, Taylorsville. Application for a sales agent license denied on August 22, 2005 because of factors including a January, 1997 conviction of Class A Misdemeanor Lewdness Involving a Child (and the fact that he is required to register with the Utah Sex Offender Registry and appears in that registry's web site).

STARLEY, RICHARD, Applicant for sales agent license, Alpine. Application for a sales agent license denied on August 22, 2005 because of factors including multiple DUI convictions from 1993 through 2003.

STEWART, FRANK R., Sales Agent, The Tollstrup Group, Salt Lake City. Agreed to pay a \$1,000 fine for violating Administrative Rule R162-6.1.4, which requires a licensee completing a listing agreement to make reasonable efforts to verify the accuracy and content of the listing, by including inaccurate rents in the listing of three fourplexes. Mr. Stewart maintained in mitigation that he requested copies of the leases from the sellers, but that the sellers failed to give him copies and instead told him the amounts of rents and then signed the listing form, verifying the accuracy of the information filled in on it. #RE21517.

TE, TONE S., Sales Agent, Ogden. Application for renewal of sales agent license approved and then suspended for one year beginning January 25, 2005 because of failure to timely pay a fine and to complete continuing education as required by a stipulation he signed with the Division to settle Case RE010827.

WALLOP, JONNETTE, Sales Agent Applicant, Salt Lake City. Application for sales agent license approved on January 25, 2005 on probationary status until first renewal because of factors including past criminal history and child support arrearages. During the probationary period, broker acknowledgement of license probation is required for affiliation with any broker.

WIDMER, WALTER J., Sales Agent, Sandy. Agreed to pay a \$500 fine for renewing his license on-line without having taken the Division's Core Course. As part of the Division's audit process, Mr. Widmer completed the Core Course. #RE24021.

WILEY, JAMES S., Sales Agent, Livermore, CA. Agreed to surrender his sales agent license effective July 20, 2005 instead of continuing to respond to the Division's audit of his continuing education. Mr. Wiley renewed his license online and affirmed that he had taken the required 12 hours of continuing education. The Division's audit determined that Mr. Wiley had not taken any continuing education in the two years preceding his online renewal. Mr. Wiley maintains that it is a mitigating factor that it was not his intent to misrepresent to the Division and that he thought he was just extending the time that he would have to renew his license, not that he was renewing it online. #RE23346.

ZAHM, JOSEPH W., Sales Agent, Draper. Agreed to pay a \$700 fine and complete additional education for renewing his license on-line and affirming that he had completed the required 12 hours of continuing education when he had only completed 7 hours of qualified continuing education in the past two years. Mr. Zahm maintained in mitigation that at the time he renewed, he was confident that he had completed the required education, but that when audited he could not produce all of the required course completion certificates because his education file had been lost. #RE 25998.

ZAUGG, LARON, Principal Broker, Homeworks Real Estate LC, Ogden. Agreed to pay a \$4,500 fine, have his license placed on probationary status for two years, and complete the Division of Real Estate Trust Account course and a course in agency. A sales agent whose license had expired was working at Mr. Zaugg's brokerage. Mr. Zaugg paid the agent commissions in at least nine transactions. Mr. Zaugg maintains that when he became aware of the sales agent's unlicensed status, he assigned other agents to take over on the additional transactions that the sales agent had in process. Mr. Zaugg admitted that he did not have a procedure in place to monitor whether sales agents working with his brokerage had active licenses or whether their licenses had expired. #RE 22059.

The following is a list of individuals whose real estate licenses were revoked for failure to accurately disclose their criminal background on their initial applications.

<u>Name:</u>	<u>Revocation Date:</u>
Alvarez, Jose	November 3, 2004
Ansari, Tu N.	October 22, 2004
Axtell, Darrell E.	October 22, 2004
Cameron, Ian W.	October 22, 2004
Carroll, Patrick	October 26, 2004
Charles, Delano Antonio	August 11, 2005

*Craner, Ryan	August 22, 2005
Crompton, Ridena C.	May 17, 2005
Halverson, David	May 23, 2005
Hinsch, Dawn C.	May 25, 2005
Houston, Jennifer	August 22, 2005
Hurley, Richard	August 22, 2005
Jensen, Rex K., Jr.	August 22, 2005
Kimble, Richard H.	November 3, 2004
Mott, Leann Walters	May 23, 2005
Nolasco, Victor	August 22, 2005
Solomonson, Quentin	May 17, 2005
Stratton, Robert C.	May 23, 2005
Wagner, Janiel L. Wagner	May 23, 2005
Wright, Steven S.	November 3, 2004

*At the time of publication, Mr. Craner had requested Agency Review of an order upholding the revocation of his license.

Appraiser

Please note that there are 20 days after the order date for a licensee or an applicant to file a request for reconsideration of the order, and 30 days after the date that the order constituting final agency action is issued to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

CLYMORE, THOMAS LEE, Applicant, St. George. Application for reciprocal certification denied on August 22, 2005 based upon factors including the facts underlying complaints filed against Mr. Clymore when he was previously certified as an appraiser in Utah.

DRAKE, TIMOTHY W., State-Certified Residential Appraiser, Spring City. After a hearing before the Utah Appraiser Licensing and Certification Board, Mr. Drake's certification was suspended on December 30, 2005 for failure to comply with a subpoena served on him by the Division for appraisal records. The suspension will last until 90 days after Mr. Drake produces and delivers to the Division the documents and information required by the Division's subpoena. After the end of the suspension, Mr. Drake's certification will be on probationary status for two years. #AP25415.

MARQUISS, JAY R., State-Certified Residential Appraiser, Pleasant Grove. Agreed to pay a \$1,000 fine for violating USPAP Standards Rule 1-1(a) by picking unlike comparables and making improper adjustments and USPAP Standards Rule 1-4 by failing to collect and verify such comparable sales as were available. The complaint filed with the Division against Mr. Marquiss alleged that his August, 2004 appraisal of a home in Farmington, Utah was high, used comparables that were not similar to the subject property in size and location, and that he did not use readily available comparables that were highly comparable to the subject property. #AP21890.

OLSEN, RIC, State-Certified Residential Appraiser, Salt Lake City. Agreed to pay a \$1,000 fine and complete a remedial education course for violating USPAP Standards Rules 1-4 and 1-5b in a May, 2002 appraisal. The complaint that was filed against Mr. Olsen alleged that he made inappropriate adjustments and used comparable sales that were not similar to the subject property in that they were in a more desired location and

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had been remodeled extensively, and that he did not use readily available sales that were highly comparable to the subject. #AP20890.

PLATT, BRIAND., State-Certified Residential Appraiser, Salt Lake City. Application for renewal approved on probationary status for two years because of a criminal conviction and the facts underlying that conviction. If Mr. Platt changes appraisal firms during the probationary period, he will be required to notify his new employer of his probationary status.

RICHEY, DAVID, State-Certified Residential Appraiser, American Fork. Agreed to pay a \$1,000 fine and complete a course relating to selection of comparable sales data for violating USPAP Standards Rule 1-1(a) by failing to use proper methods, selecting unlike comparables, and making improper adjustments, and USPAP Standards Rule 1-4 by failing to collect and verify the comparable sales data that was available to indicate a value conclusion. The complaint filed with the Division against Mr. Richey alleged that in his January, 2004 appraisal of a home in Saratoga Springs, Utah, he used comparables that were not similar to the subject property although they were close in proximity to the location of the subject property and bracketed the subject property in square footage. #AP19925.

Mortgage

Please note that there are 30 days after the order date for a licensee or an applicant to file a request for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.

AMERIQUEST MORTGAGE, Licensed Mortgage Entity, Orange, CA. Application for renewal approved on probationary status for two years in a September 13, 2005 Order because of factors including a license revocation and reinstatement by the State of Oregon, failure to notify the Division of the revocation, a pending action by the Connecticut Department of Banking, and the inquiry by 30 states into some of its retail lending policies.

ANDERSON, BRYAN, Applicant, Layton. Application for mortgage officer license approved in a November 30, 2005 Order but then his license was immediately suspended until such time as he provides proof to the Division that he has paid his back child support.

ARAVE, STEVEN, Mortgage Officer and Control Person of Provident Finance, LLC, Layton. Agreed to pay a \$100 fine and his license and that of Provident Finance, LLC were inactivated by the Division on January 5, 2005. Mr. Arave failed to notify the Division of an address change and a telephone number change for Provident Finance, LLC. The Division also received a complaint alleging, among other things, that Mr. Arave

submitted a loan application that contained false information for a borrower in that it showed the borrower had two jobs when in fact the borrower had quit one of the jobs. Mr. Arave denied that he knowingly submitted false employment information, and asserted that when he learned that the borrower had quit one of the jobs, he called and notified the lender. #MG19771.

ARMITAGE, LUANNA, Mortgage Officer, West Jordan. Agreed to pay a \$300 fine for advertising "For Sale by Owner" properties by posting signs on the properties and by distributing flyers that showed her and the mortgage company for which she was working as the only contact points and phone numbers for information about the properties. Ms. Armitage maintains that in mitigation, her manager told her that it was acceptable for a mortgage company to advertise properties in this manner. #MG20636.

ATLAS HOME MORTGAGE, Layton. Agreed to pay a \$1,000 fine and no to operate a "For Sale by Owner" program in conjunction with its mortgage services. The control person of Atlas Home Mortgage, K. Scott Robinson, operated a "For Sale by Owner" program called "The Atlas Firm" as a means to market loan services to potential homebuyers. As part of the program, signs, flyers, and website listings were provided to parties interested in selling their homes. Calls from parties interested in the listings were taken either by an unlicensed "For Sale by Owner Specialist" or by loan officers licensed with Atlas Home Mortgage. #MG21018.

BALLARD, LAURIE MAY, Mortgage Officer, Pleasant Grove. Agreed to pay a \$500 fine for acting as a mortgage loan officer prior to the time she applied to the Division for a license and for advertising "For Sale by Owner" properties by posting signs on the properties and by distributing flyers that showed her and the mortgage company for which she was working as the only contact points and phone numbers for information about the properties. Ms. Ballard maintains that in mitigation, she was told by the office manager that it was permissible for her to originate loans without a license as long as she did not close the loans, and that she was told it was acceptable for a mortgage company to advertise properties in the manner in which she was advertising them. #MG20638.

BEEHIVE MORTGAGE, Orem. Agreed to pay a \$3,000 fine because Beehive Mortgage created a "For Sale by Owner" program and encouraged five of its mortgage officers to use the program to advertise properties for sale. The properties were advertised by posting signs on the properties and by distributing flyers that showed Beehive Mortgage as the only contact point and Beehive Mortgage's telephone numbers as the only telephone numbers for information about the properties. Each property flyer indicated price, amenities, and square footage of the properties, along with pictures of the home offered for sale. #MG 20634.

BILLMAN, ROBBIE, Mortgage Officer, Bluffdale. Agreed to surrender her current mortgage officer license effective February 2, 2005, and that she would not apply for a new Utah mortgage license for at least two years thereafter, in lieu of continuing to respond to the Division's investigation of a complaint. The complaint alleged that she had altered an addendum to a Real Estate Purchase Contract and raised the purchase price of the property, the amount of seller concession, and the dates and times that the addendum was signed, and then faxed the addendum to a title company. Ms. Billman denies altering the addendum and denies any knowledge of the addendum being transmitted to the title company. #MG18513.

BONEVILLE FINANCIAL, INC., Salt Lake City. Agreed to pay a \$5,600 fine for permitting two individuals whose licenses had expired to originate residential mortgages on behalf of the company, and for operating a "For Sale by Owner" web site that offered to help buyers find homes to purchase, offered to list homes for sellers, offered to provide comparable sales to help sellers price their homes appropriately, and provided signage and property flyer to sellers, among other services. #MG22671.

CELLA, TODD, Mortgage Officer, Layton. License surrendered effective March 2, 2005 instead of continuing to respond to a Division investigation alleging, among other things, that he altered an addendum to a Real Estate Purchase Contract, a Fannie Mae Form 1003, and other documents to indicate that the loan applied for would be for owner-occupied property when the property was not to be owner-occupied, and that he submitted fabricated documents to the Division during its investigation. Mr. Cella neither admitted nor denied the Division's allegations. He may not apply for a new license from the Division for at least two years after the date of the surrender of his license. #MG21298.

CHRISTENSEN, DUSTIN, Mortgage Officer, Salt Lake City. Agreed to surrender his license effective July 6, 2005. The Division investigated a complaint alleging that Mr. Christensen had falsified a borrower's income and job history, and made up a fictitious company where the borrower worked, and that Mr. Christensen provided a toll-free number that forwarded to him so that he could verify the borrower's employment. Mr. Christensen neither admitted nor denied the allegations but wished to surrender his license rather than continue to respond to the Division's investigation of this matter. #MG22169.

COOK, KREHL, Mortgage Loan Originating Control Person, Provident Financing Corp., Salt Lake City. Agreed to pay a \$2,500 fine for failing to exercise reasonable supervision of the mortgage entity. Mr. Cook hired an individual who did not have a mortgage license to act as a loan officer with his company. In mitigation, Mr. Cook maintains that as soon as he learned

that the loan officer was not licensed, he told him he could not work anymore until he was properly licensed. #MG 21882.

DAVIES, JAMAN W., Mortgage Officer, Bountiful. Surrendered his mortgage officer license effective January 5, 2005 in lieu of continuing to respond to the Division's investigation. While working as a licensed mortgage officer for Secure Mortgage in Bountiful, Utah, Mr. Davies created the paperwork for, and caused to be funded three loans that were falsified in that the loans were obtained in other peoples' names. He thereafter attempted to cause an additional falsified loan to be funded to pay off one or more of the original three loans. #MG21301.

DAVIES, WILLIAM J., formerly Control Person for Secure Mortgage, Bountiful. Agreed not to act as a control person for any mortgage entity subject to the jurisdiction of the Division for at least one year following January 5, 2005, and that he will not employ Jaman W. Davies in any position related to a mortgage entity for at least five years. Unknown to William Davies at the time, Jaman Davies created the paperwork for and caused to be funded three loans that were falsified in that they were obtained in other peoples' names. In mitigation, when William Davies learned of the acts of Jaman Davies, he voluntarily caused the wrongdoing to be disclosed to the Division. #MG21303.

DIRECTLOANSOURCE.COM, Licensed Mortgage Entity, Melville, NY. Application for renewal approved in an October 26, 2005 Order but then the license was immediately suspended until such time as a \$2,500 civil penalty is paid to the Division and proof is provided to the Division that the entity has a loan officer with an active Utah license in good standing that will write loans in Utah for the entity.

DYCHES, TROY, Mortgage Officer, Orem. Mortgage officer license issued on November 17, 2004 but then immediately suspended until he submits evidence that a plea in abeyance to a criminal matter has been successfully completed and that all restitution has been paid or dismissed. Following the suspension, the license will be on probationary status for the duration of the initial license term.

EADY, DARREN, Mortgage Officer and Control Person, G.O.O.D. Neighbor Mortgage, Lindon. Agreed to pay a \$500 fine because of signing a borrower's name to a "Borrower Signature Authorization" form authorizing the borrower's employer to verify her employment. Mr. Eady maintains that in mitigation the borrower had obtained her original mortgage through him a year earlier and had signed a form at that time authorizing him to obtain employment information, and that he just signed her name to a new form to speed things up on her refinance. #MG21168.

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EARNEST, JOHN MICHAEL, Mortgage Officer, Provo. Agreed to surrender his license effective October 5, 2005 and that he will not apply for a new license for at least two years. Mr. Earnest created a letter which appeared to be from a Certified Public Accountant, verifying a self-employed individual's income. Mr. Earnest maintained that he created the false letter and submitted it to a lender because the borrower was an older woman who was medically retired and ran a small business out of her home and needed to pull equity out of her home to better her retirement position. Nevertheless, he acknowledged that his acts were illegal. #MG25077.

ELLIS, DAVID LEONARD, Mortgage Officer, Pleasant Grove. Agreed to pay an \$800 fine and complete a course in mortgage ethics because of making a false representation to the Division during an investigation. Mr. Ellis did not inform borrowers that their loan had been denied until after the deadline by which they had to cancel their contract in order to receive a refund of their earnest money deposit. He changed the date on a copy of a "Statement of Credit Denial, Termination, or Change" that he furnished to the Division investigator to make the investigator think that he had notified the borrowers of the declination earlier than he actually had. #MG20484.

ENTRUST MORTGAGE, INC., Mortgage Entity, Denver, CO. Agreed to pay a \$2,500 civil penalty for accepting loan applications secured by Utah residential real estate from an individual who was not a mortgage officer licensed by the Division. #MG 21514.

ENVISION MORTGAGE, INC., and its Control Person **JONATHAN ROBERTS**, Garland. Agreed to pay a \$2,500 fine for permitting an individual to work as a mortgage loan officer before the individual obtained his license from the Division. #MG 23187.

FERWERDA, DONALD, Applicant, St. George. Application for license denied in a July 15, 2005 Order based on factors including an October, 2000 surrender of his automobile dealer license and a July, 2004 conviction of three counts of Class A Misdemeanor Failure to Deliver Title. At the time of publication, Mr. Ferwerda's request for agency review was pending.

GATEWAY FUNDING DIVERSIFIED SERVICES, LLP, Licensed Mortgage Entity, Horsham, PA. Application for renewal granted in a November 8, 2005 Order but then the license was immediately suspended until such time as the entity provides proof to the Division that it has a loan officer with an active Utah license in good standing who will write loans in Utah for the company.

GREAT WEST MORTGAGE, LC and its Control Person **JASON PARMAN**, Holladay. Agreed to pay a \$2,500 fine for permitting an individual who did not yet hold a residential mortgage officer license to engage in the business of residential mortgage loans on their behalf. #MG 23186.

HADLOCK, SEAN, Mortgage Officer, Lindon. Surrendered his mortgage officer license effective January 5, 2005. While acting as Branch Manager for the Orem office of New Freedom Mortgage, Mr. Hadlock on multiple occasions fabricated subordination agreements at the height of the refinancing boom because it was taking from 2 weeks to 2 months to receive subordination agreements. After the fabricated agreements were submitted to New Freedom Mortgage, Mr. Hadlock would later replace them with genuine subordination agreements. Mr. Hadlock maintains that in mitigation when New Freedom Mortgage fired him because of these acts, \$80,000 was withheld from his earnings, the purpose of which was to make whole the lenders who had relied upon the fabricated documents. #MG21066.

HARDY, AARON D., Mortgage Officer, South Jordan. Agreed to pay a \$500 fine for failing to remit to the appropriate third parties appraisal fees that were collected from a borrower. A St. George, Utah appraisal firm complained to the Division in April, 2005 that they had never been paid for a September, 2003 appraisal, despite numerous written requests for payment. After contact from the Division, Mr. Hardy paid the appraisal firm in full. Mr. Hardy maintains that he thought that he had paid for the appraisal at the time the loan closed, but that he had not taken the time to verify whether payment had been made prior to being contacted by the Division. #MG23580.

HASNA, J. PAUL, formerly Control Person for Park Capitol Financial, LLC, Murray. Agreed to pay a \$500 fine for failing to prevent improper advertising of a mortgage business that he had purchased and licensed with the Division. After the renewal of Park Capitol Mortgage was denied because of the failure of its owner/manager Gavin Ekstrom to meet the statutory requirement of good moral character, Mr. Hasna purchased the business from Mr. Ekstrom. The Division thereafter received a complaint that Gavin Ekstrom was still advertising Park Capitol Mortgage. Mr. Hasna maintains that in mitigation he was unaware of the continuing advertising and that he caused it to be discontinued upon learning of it. #MG 20313.

HERRERA, LISA, Mortgage Officer, Santa Clara. Agreed to surrender her mortgage officer license effective June 1, 2005 rather than continue to respond to the Division's investigation of a complaint involving a loan origination in which funds were retained for services that were not actually performed, and permitted a party to submit false information to induce a lender to extend credit. #MG21122.

HOLDEN, JULIE, Mortgage Officer, Taylorsville. Application for renewal approved on probationary status on March 18, 2005

because of factors including criminal convictions and failure to timely report the convictions and a name change to the Division.

INSIGHT MORTGAGE, LLC, North Salt Lake. Agreed to pay a \$2,500 fine for permitting an individual to work as a mortgage loan officer before the individual obtained his license from the Division. #MG 23605.

KENISON, ABRAHAM, Applicant, Salt Lake City. License application approved on probationary status in an October 20, 2005 Order because of factors including a past criminal background. During the probationary period, Mr. Kenison shall provide to the Division a written statement, signed by any mortgage entity with which he associates his license, acknowledging that the employer has been informed about his criminal background and the fact that his license has been issued on probationary status.

LAYTON HILLS MORTGAGE and WILLIAM RAY, its Control Person, Layton. Agreed to pay a \$5,000 fine for allowing two mortgage loan officers whose licenses had expired to engage in loan origination on behalf of Layton Hills Mortgage. In mitigation, Mr. Ray maintains that he stopped the two individuals from originating loans after the Division's field audit found that they did not have licenses. #MG 22765.

LE, MICHAEL Q., Mortgage Officer, South Jordan. Agreed to pay a \$500 civil penalty and have his license placed on probationary status until its next renewal for failing to disclose a misdemeanor Permit Required conviction and a plea in abeyance to misdemeanor Assault to the Division on his application for renewal. Mr. Le maintains in mitigation that he believed his answers to the renewal questions were honest because he thought the criminal matters were in the nature of simple tickets and not misdemeanors. #MG23069.

LYON, JASON, Mortgage Officer, Orange, CA. License automatically revoked on May 23, 2005 for failure to accurately disclose his criminal history on his application for a mortgage officer license.

MOLINA, CARLOS M., Mortgage Officer, Draper. Application for renewal denied effective July 19, 2005 for failing to pay a \$1,500 civil penalty to the Division that he had agreed to pay in settlement of Case MG020534. Mr. Molina agreed to pay the civil penalty by July 4, 2003. He did not submit payment to the Division until April 18, 2005 when he applied to the Division to reinstate his expired license. At the time of publication, Mr. Molina's request for agency review was pending.

MOSER, CURTIS SETH, Mortgage Officer, Logan. Agreed to surrender his license, effective December 7, 2005, based on a transaction in which he originated a loan for a friend and changed a letter that had been written by a CPA so that the letter purported to verify the self-employment of the friend for whom Mr. Moser originated the loan. #MG26681

PETERSEN, DONALD H., Mortgage Officer, Sandy. Agreed to pay a \$500 fine for unprofessional conduct in a transaction. The Division received a complaint from a borrower who alleged that he had applied for a fixed-rate loan, but that when he arrived at the title company to close the loan, he was presented with documents for an adjustable rate mortgage. Mr. Petersen maintains that the borrower was orally informed that his loan would be an adjustable rate mortgage. #MG 20580.

PIONEER MORTGAGE SERVICES, LLC, Sandy. Agreed to pay a \$5,000 fine because Division investigators found while conducting a field audit that two mortgage officers were actively engaged in originating loans on behalf of Pioneer Mortgage Services, LLC with expired licenses. #MG 22764.

RUIZ, DOMINIC, Applicant, Woods Cross. License application approved in an October 20, 2005 Order, but then his license was immediately suspended until such time as he provides proof to the Division that he is current on his child support obligation.

SCADDEN, TANNER, Mortgage Officer, West Haven. Agreed to pay a \$400 fine because of advertising "For Sale by Owner" properties through a web site, signs, and property flyers that showed ACE Mortgage and Mr. Scadden's telephone number as the only contract point and phone number for information about the property. #MG21305.

SCROGGIN, ANGIE, Applicant, Cedar Valley. Application for license denied in an April 2005 Order because of factors including a November, 2004 plea in abeyance to Theft in Sandy, a November, 2004 plea in abeyance to Theft in American Fork, and the February, 2005 surrender of her Pharmacy Technician license. At the time of publication, Ms. Scroggin's request for agency review was pending.

SIGNATURE FINANCIAL, INC. and its Control Person KIM S. KIMBALL. Agreed to pay a \$2,500 fine for allowing an individual with an inactive license to engage in the business of residential mortgage loans on behalf of the company. The loan officer's license was inactivated on January 1, 2005 when he had not passed the licensing examination by that date. After the Division's field audit on January 13, 2005, the loan officer took the examination again and passed it, and activated his license again. #MG23095.

SINCLAIR, LINDSEY, Mortgage Officer, Sandy. Agreed to pay a \$1,000 fine for falsely identifying another person as the loan officer on an application and failing to keep certain records on a transaction. Ms. Lindsey helped her sister obtain a mortgage through the mortgage company with

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which she was licensed, and asked another mortgage officer to sign the loan application to make the application appear to be an arm's-length transaction. She also failed to verify her sister's employment or earnings and failed to disclose to the underwriter that her sister's real estate license had been inactivated prior to the loan application. #MG19005.

STEVENETT, SHAUN, Mortgage Officer, South Jordan. Agreed to pay a \$500 fine for signing the Real Estate Purchase Contract and the initial mortgage loan disclosures for the borrower. The borrower had given Mr. Stevenett oral permission to sign the documents, but Mr. Stevenett did not have a written power of attorney from the borrower. #MG 19689.

STEVENS, J. DANIEL, Applicant, North Salt Lake. Application denied in a November 8, 2005 Order because of factors including a February, 2005 plea in abeyance to 3rd Degree Felony Sale of Unregistered Security and \$2,547,193.74 in restitution in that case that has not yet been paid. At the time of publication, Mr. Stevens' request for agency review was pending.

STEVENS, TREVOR, Mortgage Officer Applicant, Salt Lake City. Application for mortgage officer license approved on February 11, 2005 on probationary status until first renewal because of factors including past criminal history. During the license probation, acknowledgement by his control person that the control person has been informed of the license probation will be required before Mr. Stevens may license with any mortgage entity.

STUBBS, ROBERT A., Mortgage Officer, South Jordan. Agreed to pay a \$5,000 fine for unprofessional conduct and engaging in an act that constitutes misrepresentation. It was alleged that Mr. Stubbs signed the name of the president of the company for which he was the control person on wiring instructions without written permission or power of attorney from the president of the company, causing commissions to be wired to an account under Mr. Stubbs' control instead of being paid to the company. Mr. Stubbs neither admitted nor denied that he violated the Utah Residential Mortgage Practices Act. #MG24120.

SUPERIOR LENDING ASSOCIATES, L.C. AND MATTHEW J. WALKER, Licensed Mortgage Entity and Mortgage Officer respectively, Provo. Agreed to pay a \$2,500 fine after an April 27, 2005 field audit by the Division found that one of the loan officers actively engaged in the business of residential mortgage loans on behalf of Superior Lending Associates, L.C. had a license that had expired in October, 2004. #MG23988.

THOMSON, KEVIN, Mortgage Officer, West Valley City. Application for reinstatement of expired license approved on probationary status in a November 30, 2005 order because of factors including a past criminal history. During the probationary period, Mr. Thomson shall provide to the Division a written statement, signed by any mortgage entity with which he associates his license, acknowledging that the employer has been informed about his criminal background and the fact that his license has been issued on probationary status.

TLS FINANCIAL SERVICES, INC. and its Control Person TANNER SCADDEN, Kaysville. Agreed to pay a \$2,500 fine for employing a person as a mortgage loan officer who no longer held a license. #MG 23606.

TRANTER, JUSTIN, Mortgage Officer, Salt Lake City. License surrendered effective January 5, 2005. Mr. Tranter received checks from a number of borrowers at the time of loan application, which checks were intended either for first payments on the loans or for processing fees on the loans, but cashed those checks for his own personal use. He caused a title company to disburse funds intended to be used for appraisal fees, and used those funds for his own personal use. He also falsified loan closing documents and misled borrowers into believing that they had obtained new mortgage loans. #MG20091.

VALENCIA, LUCIUS L., Applicant, Salt Lake City. Application for a license denied in a November 8, 2005 Order because of factors including a June, 2003 DUI and three driving without insurance convictions between June, 1999 and June, 2005. At the time of publication, Mr. Valencia's request for agency review was pending.

VASQUEZ, IVONNE, Applicant, Draper. Application for mortgage officer license denied in a November 21, 2005 Order because of factors including failing to respond to complaints filed against her with the Division when she was previously licensed, her admission to a Division investigator that she had originated over 60 FHA loans while unlicensed, and the fact that she continued to make loans after she knew her license was invalid.

VERITAS IN COMMERCIIUM, LLC, and JOHNA. THOMAS, Lehi. Agreed to pay a \$2,500 fine for permitting an unlicensed individual to work as a mortgage loan officer. Although the individual had passed the mortgage licensing examination in December, 2004, and had given his application for a license to Mr. Thomas, the application was not turned in to the Division. #MG 23604.

VIGIL, AMBER, Applicant, St. George. Application for a license denied in a November 8, 2005 Order because of factors including a November, 2004 plea in abeyance to Criminal Mischief Domestic Violence, a December, 2004 guilty plea to Breach of Peace, and a May, 2004 Utah Department of Workforce Services order finding that she knowingly misrepresented her income to receive unemployment benefits to which she was not entitled.

WALLING, GLEN E. JR., Mortgage Officer, St. George. Agreed to surrender his mortgage officer license effective June 1, 2005 rather than continue to respond to the Division's investigation of a complaint involving converting funds from a cancelled loan to his own use and paying portions of the money to other employees who were involved with the cancelled loan. #MG 23413.

WELKER, HARRY, Applicant, Sandy. Application for license denied in a March 18, 2005 Order because of factors including originating loans without a license and a January, 2002 suspension of his license to practice law in California as a result of misappropriation of client funds and misleading the court by misrepresenting his authority to settle a matter for a client. The denial of his license was upheld after agency review.

The following is a list of individuals whose mortgage licenses were revoked for failure to accurately disclose their criminal background on their initial applications.

<u>Name</u>	<u>Revocation Date</u>
Abernathy, David	March 9, 2005
Andrade-Miller, Aviel A.	May 23, 2005
Armijo, Dario	March 9, 2005
Boos, Steven	June 8, 2005
Cates, Arron	March 8, 2005
Christian, Gregory	March 8, 2005
Connell, Keith	May 23, 2005
Devos, Jurgen	Nov. 29, 2004
Dimmick, John	Dec. 6, 2004
Domingo, Darius L.	March 8, 2005
Edwards, Tyler	March 8, 2005
Ellis, Bradley	Aug. 22, 2005
Evans, McKenzie	June 8, 2005
Flint, Ryan	Dec. 10, 2004
Floor, Andrew	March 9, 2005
Garcia, Hector	May 23, 2005
Gibb, Jay R.	Oct. 28, 2004
Glasser, Aaron M.	May 23, 2005
Grindstaff, Jesse	Nov. 15, 2004
Hammad, Brian	May 23, 2005
Hansen, Tresa	March 8, 2005
Han, Michael	June 9, 2005
Hawkins, Nichole	May 23, 2005
Hofhine, Marci	March 8, 2005
Johnson, Cori	June 8, 2005
Malan, Jared	June 8, 2005
Mangum, Bryan	May 23, 2005
Maycock, Brandon	May 23, 2005

Continuing Education Banking For Real Estate and Mortgage Licensees

Since the first of this year all continuing education course credits are being individually "banked" by our testing contractor (Promissor) for the Division of Real Estate. This means that you will be able to personally track the continuing education courses that you have taken after January 1, 2006 through a link on the Division Website:

www.realestate.utah.gov. From this point forward, licensees will be able to verify their attendance and corresponding credit for each CE course taken. This will be especially helpful to licensees wanting to know how many continuing education courses they have already completed. An occasional review by a licensee of the CE courses that have been taken and given credit for will greatly aid you when you prepare for license renewal. Although your CE hours will be "banked" by the Division, you should still keep your course completion certificate to serve as a receipt for courses taken and to verify course completion if you are selected for an audit of your continuing education.



All continuing education providers are now required to upload course completion information following the presentation of a course. Please take advantage of viewing the CE credit banking database!

Because we have only started this CE banking system since the first of the year, courses taken in 2005 will not be banked. A licensee should still keep all of their CE certificates as proof of attendance.

McKinnis, Moses	March 8, 2005
Mills, William J.	Dec. 15, 2004
Moore, Donnie	May 23, 2005
Morgan, Ryan	Oct. 27, 2004
Mosher, Ryan	Feb. 2, 2005
Outzen, Sean W.	March 8, 2005
Perez, Dan	May 23, 2005
Reber, Rick	Nov. 12, 2005
Rice, Steven James	March 9, 2005
Rogers, Carl	Dec. 6, 2004
Salazar, Gloria	March 8, 2005
Santos, Fernando A.	June 8, 2005
Sharp, Justin	March 9, 2005
Shelley, Kevin	Dec. 1, 2004
Sparks, Heath	March 8, 2005
Spratt, Byron E.	Oct. 25, 2004
Swann, David	June 8, 2005
Wulf, Stanley	June 8, 2005
Yates, Robert Taylor	Oct. 22, 2004

If you have a course that you believe qualifies for "non-certified" course approval, you will need to submit your application for credit for a non-certified course (along with an original certificate and outline of the presentation you attended) with sufficient lead time for the Division to be able to process your request. In other words, don't expect to submit your request for approval of a "non-certified" course two weeks prior to the renewal of your license, or your license renewal will likely be delayed.



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Continuing Education Required for Mortgage License Renewal

Beginning January 1, 2006, mortgage licensees have to complete 14 hours of continuing education to renew their licenses. Whether renewing your license on-line, through the mail, or in person at the Division, all mortgage license renewals must have continuing education.

Courses taken before 1/1/05 did not require pre-approval by the Division of Real Estate, but the topics must still be relevant to the mortgage lending industry. Of the 14 total hours of required continuing education, five hours must be completed in the mandatory topics of Federal and State regulations (three hours) and Ethics (two hours). Certificates for courses approved in the mandatory topics will have an "MC" preceeding the Division-issued course approval number. The remaining nine hours of continuing education are considered "elective" and may be any course approved by the Division since 1/1/05. Certificates for elective courses will have an "M" preceding the Division-issued course approval number. For a list of approved mortgage continuing education courses, see our website at www.realestate.utah.gov/CE.html.

Continuing education is only valid during the two years since your last license renewal. If your license renewal is February 28, 2006, you will need to submit acceptable CE courses taken between March 1, 2004 and February 28, 2006. In this instance, courses taken before 3/1/04 would not be allowed for the renewal of the license, because it would be considered "too old" (taken before the previous mortgage licensee renewal).

Regardless of the renewal method, Division staff will verify that each licensee has submitted 14 hours of approved mortgage continuing education (including the five hours of mandatory topics).

To be accepted for continuing education credit, each certificate will need to include:

- CE course title
- Instructor's name and signature
- Licensee's name and signature
- Licensee's license number



- Date of the course
- Course certificate number
- Course certificate expiration date

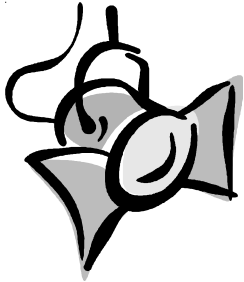
Certificates for courses taken before 2005 do not require the course certificate number or the course expiration date.

According to administrative rule, certain topics are unacceptable for continuing education credit for mortgage licensees such as: offerings in mechanical office and business skills such as typing, speed reading, memory improvement, report writing, advertising or similar offerings; offerings concerning physical well being or personal development, such as personal motivation, stress management, dress-for-success, or similar offerings; and meetings held in conjunction with the business... such as sales meetings, or in-house staff meetings unless the in-house staff meetings consist of training on the subjects on the Utah mortgage lenders exam.

On-line or distance education courses may be used for continuing education if they have been approved by the Division. To view mortgage continuing education courses that have been approved by the Division go to the website listed previously. Course numbers marked with a "D" indicates that the course is approved as a distance education course.

Real Estate or appraisal continuing education courses that have been approved by the Division *for these other professions* are not allowed for mortgage licensing renewal (see Administrative Rule R162-208-15).

Finally, if you have taken a CE class on or after 1/1/05 that was not pre-approved by the Division you may apply for credit for a non-certified course. The Division must approve non-certified education in advance of your renewal. Only courses taken outside of Utah, or that are not marketed to mortgage licensees are submittable for non-certified approval consideration. Courses that enhance your mortgage related professional skills could be considered for approval. Allow at least two months advance submission prior to your renewal for Division review. The form and instructions for receiving credit for a non-certified course are found on our website at www.realestate.utah.gov/continuinged.html.



Staff Spotlight

New Division Director Derek B. Miller

The Utah Division of Real Estate welcomes new Division Director, Derek B. Miller. Derek was appointed to the position in September 2005 by Department of Commerce Director Francine Giani. He is a graduate of the J. Reuben Clark Law School at BYU and holds a Master of Public Administration degree from BYU's Marriott School of Management. Before his appointment to the Division, Derek lived in Virginia with his wife Laura and their three children – Hunter, Max, and Ellie – where Derek worked as Congressional Counsel for the U.S. House of Representatives.

As Counsel Derek had oversight over various federal agencies, including EPA, DOT, and TSA. His duties included making sure that the agencies were implementing the laws

in the way that Congress intended. Derek also assisted on the recently passed Transportation Reauthorization Bill, which provided nearly \$300 billion in funding for highways, transit, and highway safety.

Prior to working for Congress, Derek was a management consultant at Arthur Andersen. While there, he managed a number of projects for public sector clients including the Department of Housing and Urban Development and the Department of Transportation.

Derek plans to continue his zeal for "good government" at the Division of Real Estate. "I am a big believer in government being customer focused and serving those customers efficiently and effectively." Working from the "outside" as a consultant, on

the "inside" with numerous government agencies, and from the "top-down" passing legislation, has given Derek a unique perspective on what makes government work and more importantly what makes it work well.



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Division DirectorDerek B. Miller
Editor Mark Fagergren
Layout Jennifer Eatchel

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Utah Division of Real Estate
Department of Commerce
160 East 300 South (84111)
PO Box 146711
Salt Lake City, UT 84114-6711
(801) 530-6747 main line
(801) 530-6749 main fax line
(801) 530-6279 forms fax line
www.realestate.utah.gov

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Continuing Education Banking

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Please submit such requests at least two months in advance of your license renewal to avoid possible delays. Mortgage licensees may not submit continuing education courses that have been approved for real estate or appraisal licensing. Any non-certified courses approved by the Division will be banked by the Division for the licensee.

License renewals in 2008 will totally rely on the CE banking system to verify a licensee's continuing education. Beginning January 1, 2008, a renewing licensee will be prevented from renewing on-line, in person, or through the mail if the CE banking database does not confirm sufficient continuing education. We are confident that the continuing education banking service will allow our licensees to better and more conveniently track their CE course attendance.

**Department of Commerce
Division of Real Estate
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